

# Home Inspectors

Home inspectors are not regulated at the state level unless they perform inspections for wood destroying insects (see below). All other licensure and regulation occur at the local level. Contact the City Clerk and/or County Clerk for local regulations.

The Governor signed a termite inspection law on July 20, 2001 which went into effect August 28, 2001:

**Chapter 324.530** - any person performing inspections for evidence of wood destroying insects at the request of the buyer, seller or lending institution for real estate transactions shall have in effect a valid Missouri certified commercial applicator's license, pesticide technician's license working under the direct supervision of a certified commercial applicator, certified noncommercial applicator's license or a certified public operator's license in subcategory 7b-termite pest control issued pursuant to Chap 281, RSMo.

Information on pesticide licensure and regulations is available from:

Supervisor, Bureau of Pesticide Control

Dept. of Agriculture

P.O. Box 630

Jefferson City, MO 65102

Phone: (573) 751-5504

Web: <http://www.mda.state.mo.us>

Certified Commercial Applicator License -- required for those who apply pesticides as a service to the public in exchange for a fee.

Pesticide Technician License -- Required for those persons working under the direct supervision of a certified commercial applicator in the categories of general structural pest control, termite pest control, and ornamental and turf pest control.

Certified Non-Commercial Applicator License -- required for those who apply restricted use pesticides only on lands owned or rented by them or their employers.

Certified Public Operator License -- license may limit the operator to certain pesticides, areas, or equipment. Required for those who apply restricted use pesticides as a part of their duties as federal, state, or local government employees.

American Society of Home Inspectors: This is a private professional organization. Their organization's membership requirements are the toughest of any of the home inspector organizations. ASHI's Headquarters is located at 932 Lee Street, Suite 101, in Des Plaines, Illinois, 60016. Call 1-800-743-ASHI (2744). Fax number is 1-847-759-1620. Web Site: <http://www.ashi.com/>

## Legal Structure

Anyone conducting business in the State of Missouri under a name other than his or her own legal name (e.g., John Doe) must register the business name with the Missouri Secretary of State. Missouri law allows businesses to operate under four forms or organization:

- Sole proprietorship
- Partnership – general and limited
- Corporation -- C-Corp; S-Corp; Professional, Not-for-Profit; Foreign Corporation
- Limited Liability Company – LLC

Each structure has its own advantages and disadvantages and there are many modifications and variations within these forms. The key to selection revolves around the concept of liability and taxation. You must decide which of these structures best suits your business. In choosing your business structure, consult with a qualified accountant and/or attorney who are familiar with your resources and objectives.

A description of the forms of organization and some of the advantages and disadvantages are discussed in *Starting A New Business In Missouri*. You can download forms on the web at: <http://www.ded.state.mo.us/business/startabusiness/legalstructures.shtml> or contact the Secretary of State's Office at (573) 751-3200.

## **Taxes**

Understanding the taxes that apply to your business and how to meet the legal requirements of those taxes is critical. Consultation with an accountant or attorney is advisable.

Tax considerations are essential during the formation of a new business and during its entire life. When a business is just starting out, it may have little or no income or assets and the choice of structure may not seriously affect its tax liability. However, as the business grows, the tax implications become more significant.

Choosing a particular structure does not necessarily determine how the business will be taxed. The table found on page 26 of *Starting A New Business in Missouri* identifies the state and federal forms that must be filed for different business structures and compares the tax liabilities for the most common business structures.

Tax responsibility includes federal, state and local taxes. As a business owner you will be responsible for income taxes, payroll taxes, property tax and other miscellaneous taxes.

Self-employed individuals are responsible for their own taxes, withholdings, etc. For information on your reporting responsibilities, visit the Internal Revenue Service at: <http://www.irs.ustreas.gov/businesses/small/display/0,,i1%3D2%26i2%3D23%26genericId%3D20005,00.html>

Any business making retail sales must obtain a Missouri Retail Sales License from the Missouri Department of Revenue. A bond, based on projected monthly gross sales is posted at the time of application. An application form (Form #2643) can be obtained from the Dept. of Revenue on the web at <http://www.dor.state.mo.us/dorforms.htm> or by calling 1-800-877-6881. Generally, a wholesaler or manufacturer will present a Sale/Use Tax Exemption Certificate (Form #149) to the seller showing the sale is exempt from sales tax.

For more information on taxes and access to printable copies of the required forms visit: <http://www.ded.state.mo.us/business/startabusiness/businessstaxes.shtml>

## **Hiring Employees**

Obtain a "Business Tax Kit" and a copy of "Circular E, Employer's Tax Guide" from your local IRS office or call 1-800-829-3676. "Circular E" explains federal tax withholding and Social Security tax requirements for employers as well as containing up-to-date withholding tables for you to use to determine how much federal income tax and Social Security tax is to be withheld from each employee's paycheck.

### **What Is Involved?**

- Once you begin paying salary or wages to employees, you must collect taxes from your employees. The primary taxes are: federal and state income taxes, Social Security (FICA) and Medicare taxes.

- If you have not already done so, you must apply for a federal employer identification number (EIN) -- Form SS-4. This number is used to identify your business on payroll and income tax returns, as well as for other federal tax purposes. Corporations and partnerships must file Form SS-4 even if they have no employees.
- Have each employee complete an I-9 Employment Eligibility Verification Form and a W-4 form.
- Missouri require that all employers in Missouri report each newly hired employee to the Department of Revenue within 20 calendar days of hire.

For more information on your responsibilities as an employer, please contact our office or your local Workforce Development Career Center. To locate the nearest office, check the phone book or call (573) 751-3999 or [http://www.works.state.mo.us/es\\_offices/index.htm](http://www.works.state.mo.us/es_offices/index.htm)

For a complete discussion on hiring employees, your responsibilities, and access to the required forms, refer to: <http://www.ded.state.mo.us/business/startabusiness/becominganemployer.shtml>

## **Resources:**

In addition to information on the legal requirements, we think that you will find the following information helpful as you begin your business:

You can download copies of two excellent publications on the process of starting and operating a business in Missouri:

### ***Starting a New Business in Missouri***

<http://www.ded.state.mo.us/business/pdfs/startuppacket.pdf>

### ***Doing Business in Missouri***

<http://www.ded.state.mo.us/business/startabusiness/doingbusinessinmissouri.shtml>

**Evaluating Your Business Idea** [www.umsi.edu/~smallbus/Evalbus.pdf](http://www.umsi.edu/~smallbus/Evalbus.pdf)

**Guide to Writing A Business Plan** [www.umsi.edu/~smallbus/BusplanG/BusplanG.pdf](http://www.umsi.edu/~smallbus/BusplanG/BusplanG.pdf)

The Missouri Business Development Network is a partnership of the key resource providers in Missouri. Their website contains a vast array of helpful documents, links and information on starting and operating your small business. In addition, it contains a calendar of upcoming training and educational events throughout Missouri. [www.missouribusiness.net](http://www.missouribusiness.net)

For information on resource providers and business counselors, refer to:

[http://www.missouribusiness.net/service\\_centers.asp](http://www.missouribusiness.net/service_centers.asp)

For Information on local (city or county) requirements, contact the City Clerk and/or County Clerk. A list of county clerks is found on the Web at [www.sos.state.mo.us/elections/countyclerks.asp](http://www.sos.state.mo.us/elections/countyclerks.asp)

### **Missouri Lawyer Referral Service**

Kansas City: (816) 221-9473 (Clay, Jackson, Platte & Ray counties)

St. Louis City & County: (314) 621-6681

Springfield/Greene County: (417) 831-2783

Rest of Missouri: (573) 636-3635

Web at <http://www.mobar.org/pamphlet/referral.htm>

Missouri Society of Accountants 1-800-959-4276  
Web at: <http://www.missouri-accountants.com>

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